

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

January 24, 2006 LB 875

relates to workers' compensation insurance. This allows insurers to argue that workers' compensation policies may be amended on what we call a manuscript basis for individual policyholders. While this is an appropriate provision for most lines of insurance, it's not an appropriate provision for workers' comp insurance, which must comply with numerous statutory provisions, some of which insurers and employers would rather dispense with. And with that, Mr. President, I will close.

SENATOR CUDABACK: Thank you, Senator Mines. There are committee amendments, as stated by the Clerk. Senator, you're recognized to open on the committee amendments to LB 875.

SENATOR MINES: Thank you, Mr. President. Committee amendment, AM1901, proposed by the committee would insert and amend Section 44-1988 of the Title Insurers Act to revise the standards of the establishment of reserves for domestic title insurers sufficient to cover liabilities. The amendments would require, for policies written or assumed on or after January 1 of 2006, a domestic title insurer would calculate its unearned premium reserve at a rate of 17 cents per \$1,000 of net retained liability for each title insurance policy. The current rate is 25 cents per \$1,000 of that net retained liability for title insurance policies that are under half a million dollars, and 12 cents for every \$1,000 of net retained liability for title insurance policies greater than one-half million dollars. The committee amendment also provides for a transitional reserve standard for the title insurer domiciled in another state which transfers its domicile to the state of Nebraska. By the way, there are currently no Nebraska domestic title insurers. The committee amendment also provides for the E clause, which would be applicable only to the above described section and inserted in the Title Insurers Act. The...by the way, the final one, the committee amendment also corrects a misspelled word in Section 13 of the bill, as introduced. Thank you, Mr. President.

SENATOR CUDABACK: Thank you, Senator Mines. You've heard the opening on AM1901 to LB 875 by Banking Committee. Open for discussion on the committee amendment. Senator Chambers,